

Central Intelligence Agency

FILE

DATE 10/7/86 FILE

25X1

DOC NO GIM 86-20231

OIR 3

P & PD 1



Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

01 OCT 1986

GIM 86-20231/a

MEMORANDUM FOR: See Distribution

FROM:

Director of Global Issues

25X1

SUBJECT:

US Sanctions Against Libyan Civil Air: Status
and Prospects

25X1

1. The attached memorandum responds to your request for information concerning the impact that US economic sanctions have had on Libya's civil airlines. Particular attention has been given to how effective the sanctions have been and possible means to enhance their enforcement.

25X1

2. If you have any questions concerning the report, please call [redacted] Chief, OGI, International Security Issues Division, [redacted] secure. [redacted]

25X1

25X1

25X1

25X1

Attachment:

Libya: Impact of US Sanctions on Civil Air Fleet
GI M 86-20231, 1 October 1986

25X1

25X1

25X1

25X1

SUBJECT: Libya: Impact of US Sanctions on Civil Air Fleet

OGI/ISID/IT/ [] (1 October 1986)

25X1

Distribution

- 1- The Honorable Robert Kimmitt, Treasury
- 1- Douglas Mulholland, Treasury
- 1- SA/DDCI
- 1- Executive Director
- 1- DDI
- 1- DDI/PES
- 1- D/NESA
- 1- DD/NESA
- 1- C/NESA/PPS
- 2- NESA/AI
- 2- NESA/AI/M
- 1- NIO/TERRORISM
- 1- CPAS/ISS
- 1- D/OGI, DD/OGI
- 3- OGI/EXS/PG
- 5- CPAS/IMC/CB
- 1- C/TNAD
- 1- C/OGI/ISID
- 1- C/OGI/ISID/IT
- 2- EURA/WE
- 2- EURA/EE
- 1- C/PES
- 1- CPAS/ILS

Central Intelligence Agency



Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

1 October 1986

US Sanctions Against Libyan Civil Air: Status and Prospects [REDACTED]

25X1

Summary

The US economic sanctions targeted against the Libyan air fleet, which have been in effect since March 1982, have substantially reduced the operational activities and flexibility of Libya's civil airline fleet. These sanctions have forced Tripoli to seek maintenance from companies willing to ignore the US embargo and to pay inflated prices for the service. Even so, this maintenance has not been sufficient to keep all but a handful of Libyan-owned Boeing aircraft in flying condition. While not 100 percent effective, US actions have severely limited Libya's ability to acquire new or used Western aircraft. The US might be able to tighten the sanctions targeted against Libyan acquisition and maintenance of US-manufactured civil airliners by increasing political pressure on the governments of countries--notably France--that now provide service to Libyan Arab Airlines and by levying some additional reporting requirements on US airframe and aircraft engine manufacturers. [REDACTED]

25X1

Current Impact of the Sanctions

[REDACTED] the Libyan civil fleet of jet aircraft consists of 10 Boeing 727s, 17 Boeing 707s, three Fokker F-28s, and two Airbus A-310s. [REDACTED]

25X1

25X1

- o Libya's fleet of 10 Boeing 727s has been receiving regular maintenance from Air France. [REDACTED] Air France sends some of the Libyan engines to Sabena Airlines in Belgium for specialized repair. Paris likely will continue to permit this work on the grounds that the 727s are used only for international civil flights and the aircraft have not been implicated in any terrorist attack. Embassy reporting indicates that Sabena claims the work is performed for Air France, not for Libya. The 727s use Pratt & Whitney JT8D engines, and Libya is known to own 41 of these engines--a number sufficient for one spare engine per airplane. This quantity of spare engines, coupled with the great popularity of this engine and airframe worldwide, means that Libya has ample means to evade the US sanctions by

25X1

This memorandum was prepared by [REDACTED] the International Transportation Branch, Office of Global Issues. Information as of 1 October was used in its preparation. Questions and comments should be directed to Chief, International Security Issues Division, [REDACTED]

25X1

25X1

GI M 86-20231

Page 1

25X1

[redacted] 25X1
cannibalization of engines or by clandestine purchase of parts. Nevertheless, the Libyan 727 fleet is past the mid-point of useful life, and Tripoli will have to replace some of these aircraft within the next few years regardless of maintenance arrangements in the meantime. [redacted] 25X1

- o Libya's fleet of 17 Boeing 707s presents a different picture. Embassy reporting shows that Tripoli has been able to evade US sanctions by purchasing several used 707s over the years--most recently from Air France through the Luxembourg firm TRATCO. Difficulties in obtaining regular maintenance work and a severely aging fleet, however, have reduced the number of aircraft that are airworthy. [redacted] only five or six of the 707s can be flown on a regular basis. [redacted] 25X1
[redacted] 25X1
[redacted] 25X1

- o Press reports indicate that Tripoli ordered ten Fokker F-28 short-range jet passenger aircraft in late 1983 but only was able to gain delivery of three. These aircraft are made in the Netherlands and have US-manufactured engines. The aircraft have not been in operation long enough to require foreign repair, but continued flying in Libya's dusty airspace will soon wear out several key engine parts. [redacted] 25X1
- o State Department reports indicate that in August of this year Libyan Arab Airlines was able to buy two used Airbus A-310s (with GE engines) from British Caledonia Airlines but had to work through at least two intermediary firms and pay about twice the going price. With only two A-310s and one spare GE engine, Tripoli has acquired a maintenance headache. Both aircraft are configured to carry passengers and probably are intended for use on international civil routes to supplement or replace some of the older 727s. Since there are far fewer A-310s than Boeing aircraft flying, Libya has fewer choices of repair locations. The A-310s were reportedly in poor shape upon delivery. [redacted] 25X1

Possible Actions to Increase Effectiveness of Sanctions

We believe that Libya is vulnerable in two broad areas and actions could be taken that might help tighten the sanctions.

- o France and Belgium may be susceptible to diplomatic approaches. If Paris is to be persuaded to diminish French dealings with Tripoli, some rationale other than enforcement of US sanctions must be provided. [redacted] 25X1
[redacted] 25X1

[redacted] the generally heightened concern in Europe, recently, about terrorism may make the French and Belgian officials willing at least to listen again to the case against servicing Libyan aircraft. [redacted] 25X1
[redacted] 25X1

Page Denied